

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

**SW-02361A**  
**Black Mountain Sewer Corporation**  
**12725 W. Indian School Rd. Suite D101**  
**Avondale, AZ 85392**

RECEIVED  
APR 11 2011  
ACC UTILITIES DIRECTOR

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2010</b>
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FOR COMMISSION USE

<b>ANN05</b>	<b>07</b>
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4-25-11

**COMPANY INFORMATION**

<b>Company Name (Business Name)</b> <u>Black Mountain Sewer Corporation</u>		
<b>Mailing Address</b> <u>12725 W. Indian School Rd. Suite D101</u>		
<u>Avondale</u> (City)	<u>Arizona</u> (State)	<u>85392</u> (Zip)
<u>(623) 935 - 9367</u> Telephone No. (Include Area Code)	<u>(623) 935 - 1020</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____		
<b>Local Office Mailing Address</b> <u>12725 W. Indian School Rd. Suite D101</u>		
<u>Avondale</u> (City)	<u>Arizona</u> (State)	<u>85392</u> (Zip)
<u>(623) 935 - 9367</u> Local Office Telephone No. (Include Area Code)	<u>(623) 935 - 1020</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____		

**MANAGEMENT INFORMATION**

<b>Management Contact:</b> <u>Greg Sorensen</u>			<u>VP</u>
		(Name)	(Title)
<u>12725 W. Indian School Rd., Suite D101</u>	<u>Avondale</u>	<u>AZ</u>	<u>85392</u>
(Street)	(City)	(State)	(Zip)
<u>(623) 298-3753</u>	<u>(623) 935-1020</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager: Greg Sorensen Vice President</b>			
(Name)			
<u>12725 W. Indian School Rd. Suite D101</u>	<u>Litchfield Park</u>	<u>Arizona</u>	<u>85392</u>
(Street)	(City)	(State)	(Zip)
<u>(623) 935-9367</u>	<u>(623) 935-1020</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

<b>Statutory Agent:</b> <u>CT Corporation System</u>			
(Name)			
<u>3225 N Central Ave</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85012</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 277-4792</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>Jay Shapiro @ Fennemore Craig</u>			
(Name)			
<u>3003 North Central Ave, Suite 2600</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85012-2913</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 916-5366</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE             | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM              | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA                | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI             | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

UTILITY PLANT IN SERVICE

Acct. No.	DECRPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	0	0	
352	Franchises	0	0	
353	Land and Land Rights	461,446	0	461,446
354	Structures and Improvements	4,306,628	1,622,804	2,683,824
355	Power Generation Equipment	7,610	0	7,610
360	Collection Sewers - Force	515,483	261,773	253,710
361	Collection Sewers - Gravity	4,633,967	3,242,095	1,391,873
362	Special Collecting Structures	0	0	
363	Services to Customers	203,706	159,396	44,311
364	Flow Measuring Devices	39,878	36,113	3,765
365	Flow Measuring Installations	0	74,315	(74,315)
370	Receiving Wells	0	678,570	(678,570)
371	Pumping Equipment	0	0	0
380	Treatment and Disposal Equip.	3,027,885	0	3,027,885
381	Plant Sewers	121,651	97,147	24,504
382	Outfall Sewer Lines	0	0	
389	Other Plant and Misc. Equipment	1,148,843	517,646	631,197
390	Office Furniture and Equipment	369,942	155,158	214,784
391	Transportation Equipment	107,868	37,568	70,299
393	Tools, Shop and Garage Equip.	11,807	1,316	10,491
394	Laboratory Equipment	7,488	4,459	3,029
395	Power Operated Equipment	0	0	
398	Other Tangible Plant	40,726	10,179	30,547
	TOTALS	15,004,928	6,898,538	8,106,390

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	0		
352	Franchises	0		
353	Land and Land Rights	461,446		0
354	Structures and Improvements	4,306,628	5%	120,656
355	Power Generation Equipment	7,610		0
360	Collection Sewers - Force	515,483	5%	12,907
361	Collection Sewers - Gravity	4,633,967	5%	86,124
362	Special Collecting Structures	0		0
363	Services to Customers	203,706	5%	2,955
364	Flow Measuring Devices	39,878	5%	723
365	Flow Measuring Installations	0	5%	9,325
370	Receiving Wells	0	5%	0
371	Pumping Equipment	0	5%	0
380	Treatment and Disposal Equip.	3,027,885	5%	0
381	Plant Sewers	121,651	5%	1,941
382	Outfall Sewer Lines	0		0
389	Other Plant and Misc. Equipment	1,148,843	5%	83,328
390	Office Furniture and Equipment	369,942	5%	18,497
391	Transportation Equipment	107,868	5%	5,368
393	Tools, Shop and Garage Equip.	11,807		539
394	Laboratory Equipment	7,488	5%	374
395	Power Operated Equipment	0		0
398	Other Tangible Plant	40,726		4,073
	SUBTOTAL	15,004,928		346,811
	CIAC Amortization			(189,866)
	TOTALS	15,004,928		156,945

This amount goes on Comparative Statement of Income and Expense Acct. 403

BALANCE SHEET

Acct. No.	ASSETS	2009	2010
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 74,134	\$ 39,063
132	Special Deposits	\$ -	\$ -
135	Temporary Cash Investments	\$ -	\$ -
141	Customer Accounts Receivable	\$ 70,818	\$ 66,215
146	Notes/Receivables from Associated Companies	\$ 80,000	\$ -
151	Plant Material and Supplies	\$ -	\$ -
162	Prepayments	\$ 27,027	\$ 10,653
174	Miscellaneous Current and Accrued Assets	\$ -	\$ -
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 251,979	\$ 115,931
	FIXED ASSETS		
101	Utility Plant in Service	14,039,949	15,004,928
103	Property Held for Future Use		
105	Construction Work in Progress	260,207	209,503
108	Accumulated Depreciation - Utility Plant	6,544,998	6,898,538
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 7,755,158	\$ 8,315,893
	TOTAL ASSETS	\$ 8,007,137	\$ 8,431,824

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	2009	2010
	CURRENT LIABILITES		
231	Accounts Payable	\$ 14,999	\$ -
232	Notes Payable (Current Portion)	\$ -	\$ -
234	Notes/Accounts Payable to Associated Companies	\$ 1,975,180	\$ 2,067,650
235	Customer Deposits	\$ -	\$ -
236	Accrued Taxes	\$ 13,044	\$ 13,642
237	Accrued Interest	\$ -	\$ -
241	Miscellaneous Current and Accrued Liabilities	\$ 70,437	\$ 462,873
	TOTAL CURRENT LIABILITIES	\$ 2,073,660	\$ 2,544,165
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$ 1,808,216	\$ 1,952,498
253	Other Deferred Credits	\$ (329,544)	\$ (347,662)
255	Accumulated Deferred Investment Tax Credits	\$ -	\$ -
271	Contributions in Aid of Construction	\$ 5,341,461	\$ 5,341,461
272	Less: Amortization of Contributions	\$ 4,886,025	\$ 5,082,620
281	Accumulated Deferred Income Tax	\$ -	\$ -
	TOTAL DEFERRED CREDITS	\$ 1,934,108	\$ 1,863,676
	TOTAL LIABILITIES	\$ 4,007,768	\$ 4,407,841
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,009,680	\$ 1,009,680
211	Other Paid in Capital	\$ 1,946,007	\$ 1,946,007
215	Retained Earnings	\$ 1,043,682	\$ 1,068,297
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 3,999,369	\$ 4,023,983
	TOTAL LIABILITIES AND CAPITAL	\$ 8,007,137	\$ 8,431,824

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	2009	2010
521	Flat Rate Revenues	\$ 1,574,552	\$ 1,771,974
522	Measured Revenues	\$ -	\$ -
536	Other Wastewater Revenues	\$ 10,951	\$ 11,256
	TOTAL REVENUES	\$ 1,585,503	\$ 1,783,230
	OPERATING EXPENSES		
701	Salaries and Wages	\$ -	\$ -
710	Purchased Wastewater Treatment	\$ 5,439	\$ 6,083
711	Sludge Removal Expense	\$ 154	\$ -
715	Purchased Power	\$ 52,897	\$ 65,809
716	Fuel for Power Production	\$ -	\$ 417
718	Chemicals	\$ 52,802	\$ 36,695
720	Materials and Supplies	\$ 21,650	\$ 26,777
731	Contractual Services - Professional	\$ 2,798	\$ 3,324
735	Contractual Services - Testing	\$ 13,162	\$ 10,382
736	Contractual Services - Other	\$ 951,916	\$ 960,650
740	Rents	\$ 42,732	\$ 43,061
750	Transportation Expense	\$ 21,412	\$ 26,983
755	Insurance Expense	\$ 21,058	\$ 9,623
765	Regulatory Commission Expense	\$ 61,248	\$ 64,300
775	Miscellaneous Expense	\$ 63,826	\$ 64,848
403	Depreciation Expense	\$ 75,244.32	\$ 156,945.24
408	Taxes Other Than Income	\$ -	\$ -
408.11	Property Taxes	\$ 26,087.96	\$ 27,283.80
409	Income Taxes	\$ -	\$ -
	TOTAL OPERATING EXPENSES	\$ 1,412,428	\$ 1,503,180
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 4,953	\$ -
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	40	78,193
	TOTAL OTHER INCOME/EXP	\$ 4,913	\$ (78,193)
	NET INCOME/(LOSS)	\$ 177,988	\$ 201,857



SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME	BLACK MOUNTAIN SEWER CORPORATION
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WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended Aeration	
DESIGN CAPACITY OF PLANT (Gallons Per Day)	160,000 GPD BMSC Treatment Facility	318,000 GPD Scottsdale

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Commercial	2	20	200	1,130
CIE	2	15	200	4,200
Indian Rock	2	11.3	100	470
Sage Brush	2	3	N/A	470
Trade Center	2	0.75	N/A	200
Sentinel Rock	2	15	370	1,500
Carefree Highway	2	25	350	1,525
Stagecoach Pass	2	5	50	470
Peaceful Place	2	1	15	470
Sunset Trails	2	30	290	2,600
El Pedregal	2	10	185	2,000
Ridgeview	2	5	100	470
Canyon Crossings	2	3	85	300
Carefree Village	2	3	85	1,760
Indian Basket	2	1	11	150

FORCE MAINS

Size	Material	Length (Feet)
3"	ACP	915
4"	ACP	9,366
6"	ACP	7,460
1.25"	PVC	443
1.5"	PVC	5,384
2"	PVC	5,155
4"	PVC	2,390
6"	PVC	10,353
8"	PVC	10,426
4"	DIP	3,000
6"	DIP	1,135

MANHOLES		CLEANOUTS
Type	Quantity	Quantity
Standard	1,028	30
Drop	14	

COMPANY NAME	BLACK MOUNTAIN SEWER CORPORATION
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**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**

COLLECTION MAINS			SERVICES		
Size (in inches)	Material	Length (in feet)	Size (in inches)	Material	Quantity
4	ABS	1263	4		2002
12	ABS	9,343	6		131
6	VCP	12,760			
8	VCP	71,673			
10	VCP	7,675			
15	VCP	1,900			
6	PVC	3,046			
8	PVC	90,912			
10	PVC	3,455			
12	PVC	565			
15	PVC	6,735			
6	DIP	85			
8	DIP	1,320			
15	DIP	165			
18	CIP	130			
21	CIP	74			

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	N/A
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypo-Chlorite (Bleach)
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid Sand Filter
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Main blower building Chlorine building Headworks building Concrete block wall (plant)
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	Odor control scrubber (plant); Stand-by generator (portable); Lifting crane assembly; Chemical injection system (commercial); Case backhoe; Chevy pickup; Stand-Generator (Carefree Village)

<b>COMPANY NAME</b>	BLACK MOUNTAIN SEWER CORPORATION
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**WASTEWATER FLOWS**

<b>MONTH/YEAR (Most Recent 12 Months)</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
Jan-10	2,138	12,985,000	331,000
Feb-10	2,138	12,894,000	187,000
Mar-10	2,138	17,614,000	303,000
Apr-10	2,139	13,252,000	181,644
May-10	2,138	11,191,000	159,000
Jun-10	2,140	10,844,903	189,000
Jul-10	2,142	10,263,000	162,000
Aug-10	2,142	10,335,000	159,000
Sep-10	2,176	10,179,000	148,000
Oct-10	2,177	11,420,000	165,000
Nov-10	2,177	11,624,000	156,000
Dec-10	2,173	11,500,000	134,000

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	100351
<b>Groundwater Permit Number</b>	N/A
<b>ADEQ Aquifer Protection Permit Number</b>	APP100351
<b>ADEQ Reuse Permit Number</b>	R105424
<b>EPA NPDES Permit Number</b>	N/A

**STATISTICAL INFORMATION**

Total number of customers 2,173

Total number of gallons treated 144,101,903 gallons

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION YEAR ENDING 12/31/2010

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported                      Unable to isolate due to Consolidated Return filed  
Estimated or Actual Federal Tax Liability                      \_\_\_\_\_

State Taxable Income Reported                      Unable to isolate due to Consolidated Return filed  
Estimated or Actual State Tax Liability                      \_\_\_\_\_

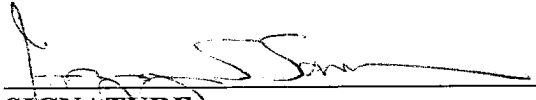
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>N/A</u>
Amount of Gross-Up Tax Collected	<u>N/A</u>
Total Grossed-Up Contributions/Advances	<u>N/A</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year’s annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

 _____ SIGNATURE	_____ DATE
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_____ PRINTED NAME	_____ TITLE
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**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 26,685.88

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<b>Maricopa</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>Greg Sorensen, Vice President</b>
COMPANY NAME
<b>Black Mountain Sewer Corporation</b>

RECEIVED  
APR - 2011  
ACCUITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

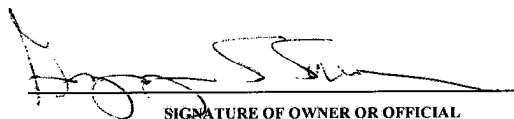
MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
SIGNATURE OF OWNER OR OFFICIAL

623 935-9367  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

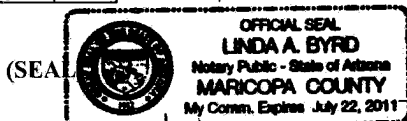
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13th

DAY OF

COUNTY NAME
<b>Maricopa</b>
MONTH
<b>April</b>
YEAR
<b>2011</b>



  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES July 22, 2011



**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

ACC UTILITIES DIRECTOR

**VERIFICATION  
STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME) <b>Maricopa</b>
NAME (OWNER OR OFFICIAL) TITLE <b>Greg Sorensen, Vice President</b>
COMPANY NAME <b>Black Mountain Sewer Corporation</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2010

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**


**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:**

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>1,783,230</u>

**(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)**

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
623 435 9367  
\_\_\_\_\_  
TELEPHONE NUMBER

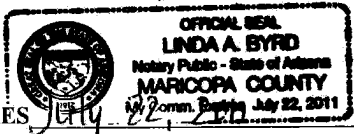
**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 13th **DAY OF**

COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	YEAR <u>2011</u>

(SEAL)



**MY COMMISSION EXPIRES**

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

RECEIVED

APR 13 2011

ACC UTILITIES DIRECTOR

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	Maricopa		
NAME (OWNER OR OFFICIAL)	Greg Sorensen	TITLE	Vice President
COMPANY NAME	Black Mountain Sewer Corporation		

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

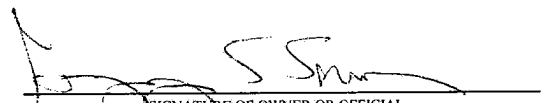
ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 1,224,902

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL  
623 935-9367  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13th

DAY OF

(SEAL)



MY COMMISSION EXPIRES: July 22, 2011

NOTARY PUBLIC NAME <u>Linda A Byrd</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	<u>2011</u>

X   
SIGNATURE OF NOTARY PUBLIC